

### **REMARKS**

Claims 1-16 are pending in the present application. Independent claims 1, 5, 15 and 16 were amended in this response. No new matter was introduced as a result of the amendments. Support for the amendments may be found, for example, in FIGs. 4A-4C and paragraphs [0003] and [0015-16]. Entry of the amendments and favorable reconsideration are earnestly requested.

Claim 1 was objected to for minor informalities. In light of the present amendments, Applicant submits the objectionable matter has been addressed. Withdrawal of the objection is earnestly requested.

The claims used the broad language as describe in the summary of the invention. However, as pointed out with the specific examples of 4A, 4B, and 4C, the claims relate to the combination of utilizing both, by way of example, cash and credit card transactions where the credit card money is available to the EFP but the cash funds are not available to the EFP. However, the tax will be taken from both of them and adjusted accordingly from the funds available to the EFP from the credit card transactions. This ability to handle both case and credit and do the necessary manipulations wherein only the credit card money is available to the EFP is described and is claimed in the various claims.

Claims 1-16 were rejected under 35 U.S.C. §112, first paragraph as failing to comply with the enablement requirement. Specifically, the Office Action views the plurality of amounts and accounts (i.e., 3<sup>rd</sup>, 4<sup>th</sup> sales amounts, escrow accounts) and concludes that the features were not described in the specification in such a way to enable one skilled in the art. Applicant respectfully traverses this rejection. According to the MPEP:

The information contained in the disclosure of an application must be sufficient to inform those skilled in the relevant art how to both make and use the claimed invention. However, to comply with 35 U.S.C. 112, first paragraph, it is not necessary to "enable one of ordinary skill in the art to make and use a perfected, commercially viable embodiment absent a claim limitation to that effect." *CFMT, Inc. v. Yieldup Int'l Corp.*, 349 F.3d 1333, 1338 (Fed. Cir. 2003) . . . Detailed procedures for making and using the invention may not be necessary if the description of the invention itself is sufficient to permit those skilled in the art to make and use the invention . . . the fact that an additional limitation to a claim may lack descriptive support in the disclosure as originally filed does not necessarily mean that the limitation is also not enabled. In other words, the statement of a new limitation in and of itself may enable one

skilled in the art to make and use the claim containing that limitation even though that limitation may not be described in the original disclosure.

See MPEP 2164. The limitations identified by the examiner are discussed in the Summary on paragraphs [0005-0008]. Furthermore, FIGs. 4A-C provide 3 examples of escrow transactions where net deposits are made “less escrowed tax funds” (see [0030-33]). While the specification does not parrot the claim language exactly, Applicant submits that the requirements for 35 U.S.C. §112, first paragraph have been satisfied. Withdrawal of the rejection is earnestly requested.

Claims 1-16 were rejected under 35 U.S.C. §112, second paragraph, as allegedly being indefinite for failing to point out and distinctly claim the subject matter which applicant regards as the invention. In light of the present amendments to the claims, Applicant submits the rejection is overcome. Additionally, Applicant respectfully submits that the Office Action has not pointed to any specific claim language that does not particularly point out and distinctly claim the subject matter regarded as the invention. While the Office Action repeats the arguments put forth regarding §112, paragraph 1, these arguments are inapplicable to §112, paragraph 2. Withdrawal of the rejection is earnestly requested. Incidentally, with respect to claim 16, the examiner had indicated an additional §112 rejection, as it is unclear how the claim would be enabled, for this the language has been changed.

Claims 1-16 were also rejected under 35 U.S.C. §101 as allegedly being directed to non-statutory subject matter. In light of the present amendments, Applicant respectfully traverses this rejection. The Federal Circuit recently addressed patentable subject matter in *In Re Bilski*, slip op. 2007-1130, October 30, 2008, where the court stated:

The Supreme Court . . . has enunciated a definitive test to determine whether a process claim is tailored narrowly enough to encompass only a particular application of a fundamental principle rather than to pre-empt the principle itself. A claimed process is surely patent-eligible under § 101 if: (1) it is tied to a particular machine or apparatus, or (2) it transforms a particular article into a different state or thing. See *Benson*, 409 U.S. at 70.

See *Bilski* at 10-11. In the present application, method claims 1, 5, 15 and 16 were amended to recite an electronic funds processor (EFP) in a computer system, which ties the claimed process

to a "particular machine" (see [0015]). As such, claims 1-16 recited patentable subject matter. Withdrawal of the rejection is earnestly requested.

Claims 1-16 were rejected under 35 U.S.C. §103(a) as being unpatentable over Cretzler (US Patent 5,644,724), in view of Gryglewicz (US Patent 6,993,502) and Agee (US Patent 6,889,200). Applicant respectfully traverses this rejection.

Specifically, the prior art, alone or in combination, fails to teach or suggest the features of "determining in the computer system whether the second [third] sales amount exceeds the first escrow amount; and when the second [third] sales amount exceeds the first escrow amount, crediting an a second escrow account with the first escrow amount, and crediting a merchant account with an amount equal to the difference between the second sales amount and the first escrow amount" as recited in claims 1 and 5, and similarly recited in claim 15. Regarding Cretzler, the document simply teaches a rudimentary tax collection system (col. 4, lines 25-47) where a transaction amount and a tax amount are determined and stored. As the Office Action recognized, Cretzler fails to teach the above-mentioned features.

Turning to Gryglewicz, the document discloses a main controller 40 that periodically requests funds from a merchant bank of each merchant for collecting taxes owed, and, such collected tax funds are either deposited in an escrow account from which funds are subsequently disbursed to the tax authorities, or the collected tax funds may be substantially immediately disbursed to the tax authorities (col. 8, lines 44-53). However, Gryglewicz does not process the sales amounts and escrow amounts to determine credits for escrow accounts and merchant accounts as presently claimed. Regarding Agee, the document does not disclose the use of computerized escrow accounts.

The specific reference by the examiner to the Agee teaching in col. 8, lines 55-65, have nothing to do with taking out the tax amount but has to do with taking out the fees due to the merchant bank. As such, there is no teaching of adding various amounts, subtracting various amounts, calculating one fee against another amount. This whole series of calculations permitting the combination of both cash and credit card transactions, where only the credit card money has been available to the EFP and the other money need not be deposited, is totally lacking and would not be obvious even combining these references as suggested by the examiner.

Furthermore, the examiner recognizes that Cretzler does not disclose determining the escrow amounts based upon the sum of both the quick cash and credit card sales. He then turns to Gryglewicz for teaching the escrow teachings. However, he still has not provided any reference or any indication where you combine the escrow amounts and the sum of the first and second sales. That teaching he has disregarded and he has not found in any reference and not even referred to where he finds such teaching.

For the same reasons provided above, the cited art, alone or in combination, fails to teach or suggest the features of “determining in the computer system whether the second sales amount exceeds the sum of the plurality of escrow amounts; and when the second sales amount exceeds the sum of the plurality of escrow amounts, crediting one of a plurality of escrow accounts with each of the plurality of escrow amounts, and crediting a merchant account with an amount equal to the difference between the second sales amount and the sum of the plurality of escrow amounts” as recited in claim 16.

Additionally, there is no apparent reason why one skilled in the art would combine the references in the manner suggested in the Office Action. The Office has failed to meet its burden in establishing a prima facie case of obviousness, since the Office Action has not provided any scientific explanation for the discrepancies in the prior art detailed above. As the U.S. Supreme Court recently held in *KSR Int'l Co. v. Teleflex Inc.*, 127 S.Ct. 1727, 1741 (2007), an invention “composed of several elements is not proved obvious merely by demonstrating that each of its elements was, independently, known in the prior art.” *Id.* This axiom was recently supported by the USPTO Board of Patent Appeals and Interferences in the precedential opinion of *Ex Parte Whalen II*, Appeal 2007-4423, July 23, 2008 (“obviousness cannot be proven merely by showing that a known composition could have been modified by routine experimentation or solely on the expectation of success” *Ex Parte Whalen* at 16).

For at least these reasons, the Applicants submit that the rejections under 35 U.S.C. §103 are overcome and should be withdrawn. An early Notice of Allowance is earnestly requested. If any fees are due in connection with this application as a whole, the Examiner is authorized to deduct such fees from deposit account no. 50-1290. If such a deduction is made, please indicate the attorney docket number (021180-00053 (BRWN 20.199)) on the account statement.

Respectfully submitted,  
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